

107TH CONGRESS
1ST SESSION

S. 1454

To provide assistance for employees who are separated from employment as a result of reductions in service by air carriers, and closures of airports, caused by terrorist actions or security measures.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 21, 2001

Mrs. CARNAHAN (for herself, Mr. DASCHLE, Mr. KENNEDY, Mrs. MURRAY, Ms. CANTWELL, Mr. ALLEN, Mr. WELLSTONE, Mr. DURBIN, Mr. ROCKEFELLER, Mr. CLELAND, and Mr. DAYTON) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide assistance for employees who are separated from employment as a result of reductions in service by air carriers, and closures of airports, caused by terrorist actions or security measures.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Displaced Workers As-
3 sistance Act”.

4 SEC. 2. DEFINITIONS.

5 In this Act:

1 (1) AFFECTED AREA.—The term “affected
2 area” means an area that the Secretary determines
3 has a substantial number of eligible employees.

4 (2) AIR CARRIER.—The term “air carrier”
5 means an air carrier that holds a certificate issued
6 under chapter 411 of title 49, United States Code.

7 (3) COBRA CONTINUATION COVERAGE.—The
8 term “COBRA continuation coverage” means cov-
9 erage under a group health plan provided by an em-
10 ployer pursuant to title XXII of the Public Health
11 Service Act, section 4980B of the Internal Revenue
12 Code of 1986, part 6 of subtitle B of title I of the
13 Employee Retirement Income Security Act of 1974,
14 or section 8905a of title 5, United States Code.

15 (4) ELIGIBLE EMPLOYEE.—The term “eligible
16 employee” means an individual who has become to-
17 tally or partially separated, or is threatened to be-
18 come totally or partially separated, from employment
19 with an air carrier, employment at a facility at an
20 airport, employment that involves the provision of
21 transportation to or from an airport, or employment
22 with an upstream producer or supplier for an air
23 carrier, as a consequence of—

1 (A) reductions in service by an air carrier
2 as a result of a terrorist action or security
3 measure, as determined by the Secretary; or

4 (B) a closure of an airport in the United
5 States as a result of a terrorist action or secu-
6 rity measure, as determined by the Secretary.

7 (5) SECRETARY.—The term “Secretary” means
8 the Secretary of Labor.

9 (6) SUPPLIER.—The term “supplier” means a
10 firm that produces component parts for, or articles
11 and contract services considered to be a part of the
12 production process or services for, another firm.

13 (7) TERRORIST ACTION OR SECURITY MEAS-
14 URE.—The term “terrorist action or security meas-
15 ure” means a terrorist attack on the United States
16 on September 11, 2001, or a security measure taken
17 in response to the attack.

18 (8) UPSTREAM PRODUCER.—The term “up-
19 stream producer” means a firm that performs addi-
20 tional, value-added, production processes, including
21 firms that perform final assembly, finishing, or
22 packaging of articles, for another firm.

23 (9) OTHER TERMS.—Terms defined in section
24 247 of the Trade Act of 1974 shall have the mean-
25 ings given the terms in that section.

1 **SEC. 3. PETITIONS AND DETERMINATIONS.**

2 (a) PETITIONS.—A petition for a certification of eligi-
 3 bility to apply for adjustment assistance under this Act
 4 may be filed with the Secretary by a group of workers
 5 or by their certified or recognized union or other duly au-
 6 thorized representative. The Secretary shall comply with
 7 the notice requirements of section 221 of the Trade Act
 8 of 1974 with respect to the petition.

9 (b) CERTIFICATION.—

10 (1) IN GENERAL.—The Secretary shall certify a
 11 group of workers as eligible to apply for adjustment
 12 assistance under this Act if the Secretary determines
 13 that a significant number or proportion of the work-
 14 ers in such workers' firm or an appropriate subdivi-
 15 sion of the firm are eligible employees.

16 (2) CERTIFICATIONS WITH AND WITHOUT PETI-
 17 TIONS.—The Secretary shall certify—

18 (A) a group that files a petition under sub-
 19 section (a) and meets the requirements of para-
 20 graph (1); and

21 (B) any other group that the Secretary de-
 22 termines meets such requirements.

23 (3) OTHER GROUPS.—A group described in
 24 paragraph (2)(B) shall be deemed to have filed a pe-
 25 tition under subsection (a) on the date of the certifi-

1 cation, for purposes of this Act (other than sub-
2 sections (a) and (c)).

3 (c) DETERMINATIONS.—

4 (1) PETITIONING GROUPS.—As soon as possible
5 after the date on which a petition is filed under sub-
6 section (a), but in any event not later than 60 days
7 after that date, the Secretary shall determine wheth-
8 er the petitioning group meets the requirements of
9 subsection (b)(1) and shall issue a certification of
10 eligibility to apply for adjustment assistance under
11 this Act covering workers in any group that meets
12 such requirements.

13 (2) OTHER GROUPS.—Not later than 30 days
14 after the date of enactment of this Act, the Sec-
15 retary shall determine groups of workers (other than
16 petitioning groups) that meet the requirements of
17 subsection (b)(1) and shall issue a certification of
18 eligibility to apply for adjustment assistance under
19 this Act covering workers in any group that meets
20 such requirements. In issuing the certifications, not
21 later than 30 days after the date of enactment of
22 this Act, the Secretary shall issue certifications cov-
23 ering all employees of air carriers.

1 (3) PROCEDURES.—The Secretary shall issue
 2 and terminate such certifications in accordance with
 3 section 223 of the Trade Act of 1974.

4 (d) INFORMATION.—The Secretary shall provide the
 5 information, assistance, and notice described in section
 6 225 of the Trade Act of 1974 with respect to certifications
 7 made under subsection (b), and agreements entered into
 8 and benefits available under this Act.

9 **SEC. 4. PROGRAM BENEFITS.**

10 (a) DETERMINATIONS.—The Secretary shall deter-
 11 mine, with respect to an eligible employee covered by a
 12 certification issued by the Secretary under section 3,
 13 whether—

14 (1) the employee is unlikely to return to the in-
 15 dustry involved;

16 (2) the employee is likely to return to that in-
 17 dustry, but unlikely to return to the employee's pre-
 18 vious occupation in the industry; or

19 (3) the employee is likely to return to that occu-
 20 pation.

21 (b) DIFFERENT INDUSTRY OR OCCUPATION.—If the
 22 Secretary determines that an eligible employee described
 23 in subsection (a) meets the requirements of paragraph (1)
 24 or (2) of subsection (a) and engages in appropriate job
 25 search activities, and that the employee and any training

1 approved by the Secretary for the employee meet the re-
2 quirements of paragraphs (1) and (3) of section 236(a)
3 of the Trade Act of 1974, the employee shall be provided,
4 in the same manner and to the same extent as an em-
5 ployee covered under a certification under subchapter A
6 of chapter 2 of title II of the Trade Act of 1974, 1 or
7 more of the following:

8 (1) Employment services described in section
9 235 of the Trade Act of 1974 (including, in the case
10 of an eligible employee in an affected area, employ-
11 ment services provided through programs developed
12 and conducted through partnerships between public
13 agencies, employers, and labor organizations).

14 (2) Training that consists of—

15 (A) training (including supplemental as-
16 sistance) described in section 236 of the Trade
17 Act of 1974, notwithstanding the provisions of
18 section 236(a)(2) of such Act;

19 (B) training for a position requiring dif-
20 ferent technical skill than the original position;
21 or

22 (C) in the case of an eligible employee in
23 an affected area, training provided through pro-
24 grams developed and conducted through part-

1 nerships between public agencies, employers,
2 and labor organizations.

3 (3) Readjustment allowances described in sec-
4 tions 231 through 234 of the Trade Act of 1974, ex-
5 cept that—

6 (A) an eligible employee is not required to
7 enroll in training to receive such an allowance;

8 (B) the reference in section 233(a)(1) of
9 the Trade Act of 1974 to “52” shall be consid-
10 ered to be a reference to “78”; and

11 (C) no employee shall receive additional
12 weeks of assistance under section 233(a)(3) of
13 such Act.

14 (4) Job search allowances described in section
15 237 of the Trade Act of 1974.

16 (c) SAME INDUSTRY AND OCCUPATION.—If the Sec-
17 retary determines that an eligible employee described in
18 subsection (a) meets the requirements of subsection
19 (a)(3), the employee shall be provided, in the same manner
20 and to the same extent as an employee covered under a
21 certification under subchapter A of chapter 2 of title II
22 of the Trade Act of 1974, 1 or more of the following:

23 (1) Employment services described in section
24 235 of the Trade Act of 1974 (including, in the case
25 of an eligible employee in an affected area, employ-

1 ment services provided through programs developed
2 and conducted through partnerships between public
3 agencies, employers, and labor organizations).

4 (2) Readjustment allowances described in sec-
5 tions 231 through 234 of the Trade Act of 1974, ex-
6 cept that—

7 (A) an eligible employee is not required to
8 enroll in training to receive such an allowance;

9 (B) the reference in section 233(a)(1) of
10 the Trade Act of 1974 to “52” shall be consid-
11 ered to be a reference to “78”; and

12 (C) no employee shall receive additional
13 weeks of assistance under section 233(a)(3) of
14 such Act.

15 (d) EMPLOYEES NOT ELIGIBLE FOR UNEMPLOY-
16 MENT INSURANCE.—An eligible employee who is totally
17 separated from employment in a State who does not meet
18 the requirements of paragraphs (2) through (4) of section
19 231(a) of the Trade Act of 1974 shall be provided, under
20 this Act, only an allowance, for a period of 26 weeks, in
21 the amount of the average weekly benefit received by an
22 individual in the State under the State unemployment in-
23 surance program during the most recent 52-week period
24 for which data are available.

1 (e) COBRA CONTINUATION COVERAGE.—In the case
 2 of an individual who is eligible for benefits under sub-
 3 section (b) or (c), the Secretary shall provide for payment
 4 of premiums for COBRA continuation coverage with re-
 5 spect to such individual. Such payment may be made
 6 through appropriate direct payment arrangements with
 7 the group health plan or health insurance issuer involved.
 8 The Secretary may require documentation of election of
 9 benefits or proof of premium payment.

10 (f) OPTIONAL TEMPORARY MEDICAID COVERAGE
 11 FOR UNINSURED ELIGIBLE EMPLOYEES.—

12 (1) IN GENERAL.—Notwithstanding any other
 13 provision of law, a State may elect to provide, under
 14 its medicaid program under title XIX of the Social
 15 Security Act, medical assistance in the case of an in-
 16 dividual who is eligible for benefits under subsection
 17 (b) or (c), who is not eligible for COBRA continu-
 18 ation coverage, and who is uninsured. For purposes
 19 of this subsection, an individual is considered to be
 20 uninsured if the individual is not covered under a
 21 group health plan, health insurance coverage, or
 22 under such program or a program under title XVIII
 23 or XXI of such Act.

1 (2) LIMITATION TO 18 MONTHS OF COV-
2 ERAGE.—Assistance under this subsection shall end
3 with respect to an individual on the earlier of—

4 (A) the date the individual is no longer un-
5 insured; or

6 (B) 18 months after the date the indi-
7 vidual is first determined to be eligible for med-
8 ical assistance under this subsection.

9 (3) SPECIAL RULES.—In the case of medical as-
10 sistance provided under this subsection—

11 (A) the Federal medical assistance percent-
12 age under section 1905(b) of the Social Secu-
13 rity Act shall be 100 percent;

14 (B) a State may elect to disregard any in-
15 come, asset, or resource limitation imposed
16 under the State medicaid plan or under title
17 XIX of such Act;

18 (C) such medical assistance shall not be
19 provided for periods before the date the indi-
20 vidual is determined eligible for such assistance;

21 (D) a State may elect to make eligible for
22 such assistance a dependent spouse or children
23 of an individual eligible for medical assistance
24 under paragraph (1), if such spouse or children
25 are uninsured; and

1 (E) individuals eligible for medical assist-
2 ance under this subsection shall be deemed to
3 be described in the list of individuals described
4 in the matter preceding paragraph (1) of sec-
5 tion 1905(a) of such Act.

6 **SEC. 5. ADMINISTRATION.**

7 The provisions of subchapter C of chapter 2 of title
8 II of the Trade Act of 1974 shall apply to the administra-
9 tion of the program under this Act in the same manner
10 and to the same extent as such provisions apply to the
11 administration of the program under subchapters A and
12 B of chapter 2 of title II of the Trade Act of 1974, except
13 that—

14 (1) the agreement between the Secretary and
15 the States described in section 239 of the Trade Act
16 of 1974 shall specify the procedures that will be
17 used to carry out the certification process under sec-
18 tion 3, the procedures for providing relevant data by
19 the Secretary to assist the States in making prelimi-
20 nary findings under section 3, and the adjustment
21 assistance described in section 4;

22 (2) the provisions of such subchapter C relating
23 to training shall not be applicable under this Act;
24 and

1 (3) the provisions of such subchapter shall
2 apply to COBRA continuation coverage under sec-
3 tion 4(e) to the extent specified by the Secretary.

4 **SEC. 6. REGULATIONS.**

5 The Secretary—

6 (1) may issue interim regulations to carry out
7 this Act, notwithstanding chapters 5 and 7 of title
8 5, United States Code; and

9 (2) shall issue final regulations to carry out this
10 Act in accordance with such chapters.

11 **SEC. 7. APPLICATION AND CONSTRUCTION.**

12 (a) APPLICATION.—For purposes of applying provi-
13 sions of chapter 2 of title II of the Trade Act of 1974
14 under this Act, references in such chapter—

15 (1) to a worker shall be considered to be ref-
16 erences to an eligible employee;

17 (2) to a benefit shall be considered to be ref-
18 erences to the corresponding benefit provided under
19 this subsection to an eligible employee; and

20 (3) to a provision of chapter 2 of title II of the
21 Trade Act of 1974 shall be considered to be ref-
22 erences to the corresponding provision of this Act.

23 (b) CONSTRUCTION.—

1 (1) NO IMPACT ON TRADE ADJUSTMENT AS-
 2 SISTANCE.—Nothing in this Act shall be construed
 3 to modify or affect title II of the Trade Act of 1974.

4 (2) NO IMPACT ON EXISTING AGREEMENTS AND
 5 BENEFITS.—Nothing in this Act shall be construed
 6 to diminish the obligation of an employer to comply
 7 with any collective bargaining agreement or any em-
 8 ployment benefit program or plan.

9 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

10 (a) IN GENERAL.—There is authorized to be appro-
 11 priated and there is appropriated to carry out this Act
 12 a total of \$3,750,000,000 for fiscal years 2002 and 2003.

13 (b) ADMINISTRATION.—There are authorized to be
 14 appropriated and there are appropriated such sums as
 15 may be necessary for the administration of this Act for
 16 fiscal years 2002 and 2003 (but not more than
 17 \$37,500,000).

18 (c) DESIGNATION.—Congress designates the entire
 19 amounts described in subsections (a) and (b) as emer-
 20 gency requirements pursuant to section 252(e) of the Bal-
 21 anced Budget and Emergency Deficit Control Act of 1985.

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